



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0159	Introduced on January 10, 2017
Author:	Malloy	
Subject:	Criminal Background Check for Sale or Transfer of Firearm	
Requestor:	Senate Judiciary	
RFA Analyst(s):	Gardner	
Impact Date:	April 25, 2017	

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	Undetermined	\$0
Other and Federal	Undetermined	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

The expenditure impact of this bill on the General Fund, Other Funds, and Federal Funds is undetermined for lack of data to estimate the number of persons who may be incarcerated due to the implementation of the bill. Revenue generated from fines, assessments, and surcharges for violations of the bill is not expected to be significant for the General Fund, Other Funds, or local government. The bill is not expected to have an expenditure impact on local government.

Explanation of Fiscal Impact

Introduced on January 10, 2017

State Expenditure

This bill provides that a licensed gun dealer may not deliver to a transferee a firearm whose sale or transfer requires an inquiry of the National Instant Criminal Background Check System (NICS), until NICS provides the dealer with a unique identification number, or 28 days elapse from the date the dealer contacted NICS and during that time NICS did not indicate that the sale or transfer to such person would violate state or federal law. The bill also establishes a new Class A misdemeanor offense for violations of these provisions and sets the penalty for convictions at imprisonment for not more than three years or a fine of not more than \$1,000, or both.

South Carolina Law Enforcement Division. The division reports that the bill will have no expenditure impact on the General Fund, as the agency does not handle firearm sale and transfer actions.

Commission on Prosecution Coordination. As there is no data on how many charges will be brought by law enforcement for criminal penalties for violations, the commission is unable to

estimate the number of such cases that may be prosecuted. However, the commission expects solicitors to manage any increase in caseloads within current resources.

Commission on Indigent Defense. The agency indicates that the implementation of this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds.

Judicial Department. As the bill creates a new offense, the department anticipates that additional hearings and trials may be held in general sessions court. This may lead to a backlog for the circuit court as a whole. While there is no data available to indicate the number of additional hearings or trials which may result, the department expects to manage any additional costs from increased caseloads within current resources. The agency indicates that the implementation of this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds.

Department of Corrections. The bill creates a new Class A misdemeanor offense for the unlawful sale or transfer of firearms by a licensed firearms dealer when the sale or transfer requires an inquiry of the National Instant Criminal Background Check System (NICS). As there is no data on the number of convictions or sentences that may result from the bill, the department cannot determine whether there will be an increase in the prison population. Therefore, the expenditure impact of the bill on the General Fund, Other Funds, and Federal Funds is undetermined.

State Revenue

The bill makes it a Class A misdemeanor for a licensed dealer to deliver a firearm to another before either receiving an NCIS response that the transaction may proceed and a transaction number, or the passage of 28 days without NICS notifying the dealer the transfer would violate federal or state law. The misdemeanor is punishable by not more than three years imprisonment, or a fine of not more than \$1,000, or both.

Existing law distributes revenue generated from fines, assessments, and surcharges for such convictions among the General Fund, specified state agencies and programs, and local governments. Although data is not available to project the number of convictions or amount of fine that may be imposed, the Revenue & Fiscal Affairs Office does not anticipate the state share of any revenue generated as a result of this bill to be significant. Approximately 1,300 individuals and companies are federal firearms licensees in South Carolina.

Local Expenditure

Data is not available to estimate the number of dealers who may violate the provisions of this bill. However, the bill is not expected to have a significant impact on local law enforcement given there are approximately 1,300 licensed firearm dealers in South Carolina.

Local Revenue

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A handwritten signature in blue ink, reading "Frank A. Rainwater". The signature is fluid and cursive, with the first name "Frank" being the most prominent.

Frank A. Rainwater, Executive Director